

# ***CITY COUNCIL***

## ***Finance, Audit & Budget Committee***

**Monday, April 16, 2012  
5:00 pm  
City Council Office**

### **Committee of the Whole – Police and Fire Manning Levels**

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The Budget and Finance Committee's responsibilities include Annual Budget Review, Capital Improvement Programs, Financial Reports, Taxes (Rates, exonerations and exemption appeals), Fee Assessments, Review of Budget & Financial Reports, oversight of the City's external auditing, internal controls and any other financial or business practices, and reviewing the work of the City Auditor.

**Committee Members:** Donna Reed (Chair), Randy Corcoran (Vice-Chair) and Dennis Sterner

*Although Council committee meetings are open to the public, public comment is not permitted at Council Committee meetings. However, citizens are encouraged to attend and observe the meetings. Comment from citizens or professionals during the meeting may be solicited on agenda topics via invitation by the Committee Chair.*

*All electronic recording devices must be at the entry door in all meeting rooms and offices, as per Bill No. 7-2012*

#### **I. Legislative Review**

- **Ordinance** – amending the Lease Agreement with the Water Authority regarding the sale of land in Ontelaunee Township

- **Ordinance** - amending the City of Reading Codified Ordinances §1-199.03 Boards and Commissions/Councils Establishing the City of Reading Audit Committee as prescribed by the Act 47 Recovery Plan CA 02 as a new Part 22
- **Ordinance** - amending the City of Reading Codified Ordinances City Clerk §1-161. Power and Duties by adding a role on the City of Reading Audit Committee
- **Ordinance** - amending the City of Reading Codified Ordinances City Council §1-\_\_\_\_. Power and Duties by adding a role on the City of Reading Audit Committee
- **Ordinance** - amending the City of Reading Codified Ordinances City Auditor §1-151. Power and Duties by adding the role of Chair for the City of Reading Audit Committee
- **Ordinance** - amending the City of Reading Codified Ordinances Chapter 1 Administration and Government, Section 186 G Fiscal Provisions by reducing the amount of Expenditures and Allocations requiring Council's approval from \$25,000 To \$10,000
- **Resolution** - authorizing the Mayor to execute a FFY2011 ESG Action Plan amendment

## **II. Budget Review**

- Review Expenditures/Revenues
- Review Contracts issued under \$25K since March 1, 2012
- Positions in the Police, Fire and Public Works Department
- Review Transfers

## **III. Review Finance Reports**

- Income Statement
- Cash Flow Projection

## **IV. Review Bank Statements**

*Suggest 5 most heavily used accounts*

**V. Update from City Auditor re 2011 Audits**

- City Park Improvements
- WWTP Capital expenses (1/1/2008-6/30/2011)
- Compliance-transfers
- Follow-up to external audit findings
- **New Audit Request re Disposition of Fine Arts Money and ability of Penn Corridor to disperse these funds**

**VI. Review CSC and IT Monthly Report**

**VII. Update - Collection Report for Delinquent Taxes and Misc Fines & Fees (RE01) – RFP to identify new collections firm opened 3-13-12**

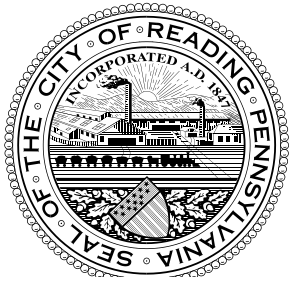
**VIII. CD Report – Spent vs. Unspent CDBG Funds**

*Written Report Only*

- a. **Un-programmed CDBG Funds**
- b. **UDAG Fund**
  - **2009 Balance Sheet/Income Statement**
- c. **2010 Balance Sheet/Income Statement and quarterly report for 2010 showing revenues and expenditures**

**FOLLOW UP ISSUES**

1. Estimate for new pavement on Court St train bridge
2. Recommendation for Collector for Delinquent BPL and other fee/tax collection
3. Waiting to receive Administration's recommendation re the QoL program



# *CITY COUNCIL*

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## ***Finance, Audit & Budget Committee***

### **Meeting Report** **Monday, March 19, 2012**

**Committee Members Attending:** D. Reed, Chair; R. Corcoran, Vice Chair; D. Sterner

**Others Attending:** D. Cituk, C. Zale, L. Kelleher, H. Tangredi, C. Weidel, C. Younger

#### **Legislative Review**

- RAWA Lease Agreements (Ordinance)

Ms. Kelleher and Mr. Younger stated that these agreements convey a portion of the Ontelaunee watershed, the store yard property and agree to the vacation Moss Street, behind William's Family Restaurant and increase the Water Authority's contribution, which will be covered by a 10.5% increase on the water rate only. Mr. Younger stated that the hardship panel has been taken out of the agreement but the Water Authority asks for continued discussion on this issue.

Mr. Cituk explained the payment from RAWA.

- Transfer of Funds to the Citizen's Service Center (Ordinance)

Ms. Weidel stated that this amendment will allow funding in the CSC for a mailroom clerk, which will be a Municipal Aide II. She stated that this will be a bid position.

Mr. Zale stated that the mailroom clerk was added in the last amendment to the position ordinance.

Ms. Reed inquired about the impact resulting from the elimination of the mailroom clerk during the first quarter of 2012. Ms. Kelleher expressed the belief that the lack of a mailroom clerk is very inefficient. She also noted that it is also difficult for offices that do large mailings to operate and learn how to operate the folding and stuffing machines. She noted that the Council office's difficulty in getting the mailings out for the LRA meeting and Conditional Use Hearing. Ms. Weidel stated that the Payroll clerks can assist. Ms. Kelleher noted that they can assist during limited periods of time due to the need for them to get payroll completed on a bi-monthly basis.

- CDBG Amendment for Lance Place Playground (Resolution)

Mr. Jones stated that the need for this playground rehabilitation was identified by the Outlet Neighborhood Group who applied for a \$4,500 grant. They applied for the grant to replace a portion of the safety surface. Mr. Jones stated that the grant will only cover a small portion of the safety surface. When Public Works staff visited the Lance Place Playground site they found the condition of the playground to be in a state of severe disrepair so this amendment will provide \$91K in CDBG funds for the refurbishment of the playground. A total of \$95,500 (\$91K in CDBG funds and \$4.5K from the Outlet Neighborhood Group grant) will allow for the complete replacement of the safety surface and additional lighting. He stated that the type of safety surface that will be used will reduce vandalism.

Mr. Sterner noted a recent request from the 400 block of Linden Street for street sweeping. Mr. Jones stated that he will check the schedule and reply.

- Redevelopment Authority Debt for Alvernia University (Resolution)

Mr. Cituk stated that this is a housekeeping move as the Redevelopment Authority debt must be approved by the City. He stated that the City is in no way obligated to repay this debt. The debt will be repaid by Alvernia University. He stated that this loan will provide new student housing, roadways, paths, parking lots, facilities, an 85K square foot field house and other various capital improvements.

## **Budget Review**

- Review Expenditures/Revenues

Mr. Zale distributed a hand out showing transfers that occurred during February 2012 for indirect costs from CD, Sewer, Recycling and Water Meter Surcharges, RAWA, Act 47 and transfers from Sewer, Recycling and Water. The income statement shows two (2) months of financial activity and cash flow projections.

He stated that revenue collection is \$4M year-to-date, which is 6% of the revenue projected. He stated that a \$2.8M deficit is shown due to the timing of property tax collection.

Regarding the \$13M realized by settling the Due Tos/Due Froms, Mr. Zale reported that the Administration recommends making a \$5M payment on the unfunded debt loan.

- HR Consultant Contract

Ms. Kelleher distributed copies of the contract.

Ms. Reed stated that the Administration has issued a \$48K contract for HR services to Carol Snyder and currently has a \$23K contract to Sandy Hummel for HR consulting services. Mr. Cituk stated that he has seen neither contract and added that financials for either contract have been entered into the system. Ms. Reed and Mr. Acosta questioned if a contract was issued for an ICC Coordinator and to Mike Fleck's political consulting firm. Mr. Cituk stated that he hasn't seen either of these contracts yet and no bills have been paid to any of the parties being discussed.

Mr. Corcoran inquired about how Mr. Cituk will handle the issue if a payment request comes across his desks. Mr. Cituk stated that when these occur they are reviewed and discussed with the Administration and the Solicitor. He expressed the belief that the new personnel in the Mayor's office are unaware of the City's protocol.

Mr. Corcoran suggested that Mr. Zale and Mr. Cituk educate new staff in the Mayor's office about the City's protocol.

The Public Work and Public Safety Committee joined the meeting at this time.

- Positions in the Police, Fire and Public Works

Chief Heim stated that he completed a study in 2009 showing that the City of Reading should have 184 Police Officers. He stated that in 2009 the number of Officers has decreased to 174 Officers. He stated that in 2012 PFM required a 164 head count; however City Council, in the budget discussions, authorized 168 Officers. He stated that the hardest units hit were Criminal Investigation and Vice. He stated that both those areas each had twelve (12) employees. Currently there are seven (7) Criminal Investigators and five (5) Vice Investigators. He stated that this is the area of greatest need. He noted that Criminal Investigation

is ranked third in the City's Core Service rankings. He stated that the cost would be \$130K per Officer for salary and benefits.

Ms. Reed inquired about the funding available to meet this need. Mr. Cituk and Mr. Zale stated that \$600K is available in the Contingency fund. Mr. Cituk suggested discussing this issue further with the Administration and PFM.

Ms. Goodman-Hinnershitz asked the Chief about the current number of active Officers. Chief Heim stated that the City currently has 166 Police Officers. He stated that he expects a few additional retirements over the next few weeks.

Chief Heim noted that in discussion with PFM they agreed that they did not do a study showing how many Officers the City needs but based their decision only on affordability.

Ms. Reed asked the Chief to provide his request in writing.

Next, Acting Chief Squibb distributed his recommendation requesting three (3) Lieutenant Positions under the Fire Marshall's command, which will allow the replacement of three (3) Firefighter Trainees within the Platoons.

Fire Marshall Iaeger noted that PFM compared Reading to two (2) affluent suburban communities. He noted the disparity in the number of fire events in these two affluent suburban communities and the City of Reading. He stated that the positions will combine an inspector with an investigator which will bring great support to the Fire suppression effort which came in 5th place on the Core Services ranking. He described how the inspection of sprinkler systems works to suppress fire events. He also noted that the salaries are covered by the inspection fees.

Ms. Reed inquired about the Fire Department's manning levels. Acting Chief Squibb stated that currently the department has 124 Firefighters and uses an 18 minimum manning per platoon, which is a reduction from the previously used 22 minimum manning level per platoon. He stated that the optimal manning level would be fifty (50) Firefighters per platoon and noted that more Firefighters respond to a house fire in Philadelphia than there is on one shift in the City of Reading.

Fire Marshall Iaeger described some various Fire scenarios. Acting Chief Squibb stated that the written test for the Fire Civil Service process will be given the first

Saturday in April, which will bring on twelve (12) Firefighters and cut down on Fire overtime. He expressed the belief that the addition of these new Firefighters will generate considerable savings due to the decrease to the starting salary for Firefighters.

Ms. Kelleher requested information about the Safer Grant. Acting Chief Squibb stated that this is a national, one (1) year grant program that will allow the hiring of eight (8) Firefighters to replace DROP retirees. He stated that under the Safer Grant the City can apply for a two (2) year extension. He stated that they should have a response to the grant application by the end of May but noted that the City's application was not rejected.

Public Works Director Charlie Jones stated that over the last ten (10) years manning in the Public Works Department dropped to 49 employees from 94 employees. He expressed the belief that Public Works staffing has gone beyond doing more with less and has hit the doing less with less level.

Mr. Jones stated that he is seeking the addition of two (2) Maintenance Worker II position and one (1) Maintenance Worker III position. Mr. Jones stated that the Maintenance Worker II employees will be assigned to Parks. The cost is \$47K each (salary and benefits). These employees would provide outdoor maintenance during the warm weather months and supplement snow removal efforts during the winter months. He stated that Maintenance Worker II employees do not have to be CDL eligible as the equipment they use is non-CDL equipment. He stated that the Maintenance Worker III would assist the City's tradesman as a floater. He stated that most jobs performed by the tradesman require two (2) men. He stated that currently for an electrical project, the electrician will need assistance from the plumber, the carpenter, or the mason, which is inefficient and costly. The additional Maintenance Worker II employees can provide the necessary coverage.

Mr. Jones described his efforts to develop public/private partnerships to handle maintenance issues such as the islands in the 18<sup>th</sup> Ward. He also noted that the footers were installed for the replacement of the 2<sup>nd</sup> and Penn signage.

- Management Salaries

Mr. Cituk distributed a list showing Management salaries over the last three (3) years, all employees who paid the parking fee and employees who have been issued a dashboard parking permit for City-wide parking.



Ms. Kelleher inquired if the money collected from employees for parking is transferred to the Parking Authority. Mr. Cituk stated that the City pays \$2,200 to the Parking Authority annually for employee parking.

### **Bank Statements**

Mr. Zale stated that the bank statements are reconciled monthly and reviewed with the Auditor.

Ms. Reed suggested that Mr. Cituk and Mr. Zale provide a summary of reconciliations on a monthly basis.

### **IT Report**

Mr. Tangredi highlighted the report distributed with the agenda. He stated that the Codes I Pads are in use. He explained that data is not loaded onto the iPads used by Codes, instead the user connects to the City's internal system so if the iPad is misplaced or stolen the connection can be killed.

Ms. Reed inquired about the staffing in the IT Division. She inquired about the hiring process used to select the new webmaster. Mr. Tangredi suggested that Ms. Reed or the Committee inquire about the process with the Mayor.

Ms. Reed inquired if an advertisement was run for this opening. Mr. Tangredi stated that an ad was in the Reading Eagle on Sunday, March 11<sup>th</sup>. He stated that two (2) applications were received. He stated that the position was filled on Friday, March 16<sup>th</sup>. Ms. Kelleher inquired if the person hired was one (1) of the two (2) applicants. Mr. Tangredi stated that the person hired did not respond to the ad in the Sunday Reading Eagle.

### **CSC Report**

Ms. Weidel distributed a report showing activity in January and February. She stated the following:

	<b>January</b>	<b>February</b>
<b>SRs Issued:</b>	936	949
<b>SRs Resolved:</b>	414	576
<b>Open SRs:</b>	522	373

Ms. Goodman-Hinnershitz questioned the affect of RAWA moving off site and providing their own customer service. She inquired about future staffing levels of CSC. Ms. Weidel stated that she was unsure and suggested that the

Committee contact the Mayor.

Mr. Acosta asked Ms. Kelleher to send a message to the Mayor's office requesting that he assign senior staff to attend the Council Committee meetings, the Committee of the Whole meetings, and the Work Session.

Ms. Reed inquired about the maximum time an SR remains open. Ms. Weidel stated that currently Codes has been trained to close out their own SRs which increases their accountability. She stated that other offices need to be trained on closing out SRs.

#### **Update on Collection of Delinquent Taxes and Miscellaneous Fines and Fees (RE01)**

Mr. Zale stated that the RFPs are back and are under review.

#### **CD Report: Spent -vs- Unspent**

Ms. Kelleher stated that this report is attached to the agenda.

#### **Salary of the Managing Director**

Mr. Acosta stated that as this discussion will include the qualifications of the person recommended for the position, an Executive Session on personnel matters will occur.

Council went into Executive Session at 7:13pm.

The Executive Session concluded at approximately 7:35pm.

The Committee's session immediately adjourned.

*Respectfully submitted by Linda Kelleher, City Clerk*

#### **FOLLOW UP ISSUES**

4. Resolution to authorize using \$5M to pay down the Unfunded Debt Loan
5. Estimate for new pavement on Court St train bridge
6. Recommendation for Collector for Delinquent BPL and other fee/tax collection
7. Waiting to receive Administration's recommendation re the QoL program

AN ORDINANCE

**AUTHORIZING THE MAYOR TO EXECUTE THE THIRD ADDENDUM TO THE LEASE AND OPERATING AGREEMENT BETWEEN THE CITY OF READING, PENNSYLVANIA AND THE READING AREA WATER AUTHORITY, IN THE FORM ATTACHED HERETO AS EXHIBIT “A”, AND SUCH OTHER DOCUMENTS NECESSITATED THEREBY, INCLUDING, WITHOUT LIMITATION, (1) A DEED CONVEYING TO THE READING AREA WATER AUTHORITY AN APPROXIMATELY ONE HUNDRED TWENTY (120) ACRE PARCEL OF LAND LOCATED IN ONTELANUEE TOWNSHIP OWNED BY THE CITY AND (2) A DEED CONVEYING TO THE READING AREA WATER AUTHORITY AN APPROXIMATELY TWO AND THIRTY-NINE ONE HUNDREDTHS (2.39) ACRE PARCEL OF LAND OWNED BY THE CITY AND LOCATED AT 1801 MOSS STREET IN THE CITY OF READING.**

**WHEREAS**, the City of Reading (the “City”) is the titled owner of the premises adjacent to Lake Ontelaunee consisting of approximately one thousand twenty (1,020) acres in Ontelaunee Township, Berks County, Pennsylvania, also known as Parcel Identification Number 68540100609178;

**WHEREAS**, a portion of such premises is used in connection with the drinking water services provided by the Reading Area Water Authority (the “Authority”) and the Authority desires to acquire a fee simple interest in such portion of the premises, consisting of approximately one hundred twenty (120) acres in total (the “Ontelaunee Property”), in order for the Authority to continue to provide drinking water services; and

**WHEREAS**, the City is the titled owner of the premises consisting of approximately two and thirty-nine one hundredths (2.39) acres located at 1801 Moss Street in the City of Reading, Berks County, Pennsylvania, also known as Parcel Identification Number 17531877004325 (the Store Yard Property”);

**WHEREAS**, the Authority plans to make certain improvements in the vicinity of and/or on the Store Yard Property; and

**WHEREAS**, in exchange for the aforesaid conveyances, and other good and valuable consideration, the Authority has agreed to pay the City such consideration set forth in Exhibit “A” as the financing fee under the Third Addendum to the Lease and Operating Agreement.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:

SECTION 1: The Mayor is authorized to execute the Third Addendum to the Lease and Operating Agreement between the City of Reading, Pennsylvania and the Reading Area Water Authority, in the form attached hereto as Exhibit "A", and other such documents necessitated thereby, including, without limitation a deed conveying to the Reading Area Water Authority the Ontelaunee Property and Store Yard Property.

SECTION 2: This Ordinance shall be effective ten (10) days after City Council's passage and approval by the Mayor, or as otherwise provided by the City of Reading's Home Rule Charter.

Enacted \_\_\_\_\_, 2012

\_\_\_\_\_  
President of Council

Attest:

\_\_\_\_\_  
City Clerk

(LAW DEPT.)

Submitted to Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

Received by the Mayor's Office: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

Vetoed by Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

Exhibit “A”

Third Addendum to the Lease and Operating Agreement between the City of Reading,  
Pennsylvania and the Reading Area Water Authority

**THIRD ADDENDUM TO THE TO LEASE AND OPERATING AGREEMENT  
BETWEEN THE CITY OF READING, PENNSYLVANIA AND  
THE READING AREA WATER AUTHORITY**

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**THIS THIRD ADDENDUM**, dated this \_\_\_\_ day of \_\_\_\_\_, 2012 (“Addendum Date”) (the “Third Addendum”), is hereby agreed upon by the City of Reading, Berks County, Pennsylvania (“City”), and the Reading Area Water Authority (“Authority”), and hereby amends the Lease and Operating Agreement between the City and the Authority dated May 20, 1994, effective June 1, 1994, as supplemented in January 1995 and amended in October 1997 and December 2010.

**RECITALS**

A. WHEREAS, the Authority has been incorporated pursuant to an ordinance of the Council of the City and is existing under the provisions of the Act of Assembly approved May 22, 1945, P.L. 382, as amended and supplemented, known as the “Municipality Authorities Act of 1945” (the “Act”);

B. WHEREAS, the City leases its Water System to the Authority pursuant to the terms of the Original Amended Lease (hereinafter defined);

C. WHEREAS, the parties mutually desire to enter into this Third Addendum to facilitate certain additional payments to the City by the Authority to assist in the Act 47 recovery program of the City.

NOW, THEREFORE, the Authority and the City, in consideration of the agreements, conditions and covenants herein contained, each intending to be legally bound, hereby, covenant and agree as follows:

(1) Definitions. Unless otherwise defined herein, all capitalized terms used in this Third Addendum shall have the meanings ascribed to them in the Original Amended Lease.

(a) All references in this Third Addendum or the Original Amended Lease to the “Lease” or “herein” or “hereunder” or other similar terms shall mean the Original Amended Lease, as amended by this Third Addendum.

(b) “Original Amended Lease” shall mean the collective agreement by and between the City and the Authority as evidenced by the Lease and Operating Agreement between the City and the Authority dated May 20, 1994, effective June 1, 1994, as supplemented in January 1995 and amended in October 1997 and December 2010.

(2) Lease Payments.

(a) 2012 Lease Payment. The Authority agrees that the Financing Fee component of the Original Amended Lease for calendar year 2012 shall be FIVE MILLION NINE HUNDRED TWENTY THOUSAND DOLLARS (\$5,920,000). The FIVE MILLION NINE HUNDRED

TWENTY THOUSAND DOLLARS (\$5,920,000) Financing Fee shall be used when calculating any reconciliation of the 2012 Lease payments.

(b) 2013 Lease Payment. The Authority agrees that the Financing Fee component of the Original Amended Lease for calendar year 2013 shall be SIX MILLION FOUR HUNDRED SEVENTY THOUSAND DOLLARS (\$6,470,000). The SIX MILLION FOUR HUNDRED SEVENTY THOUSAND DOLLARS (\$6,470,000) Financing Fee shall be used when calculating any reconciliation of the 2013 Lease payments.

(c) 2014 Lease Payment. The Authority agrees that the Financing Fee component of the Original Amended Lease for calendar year 2014 shall be SIX MILLION SIX HUNDRED SEVENTY THOUSAND DOLLARS (\$6,670,000). The SIX MILLION SIX HUNDRED SEVENTY THOUSAND DOLLARS (\$6,670,000) Financing Fee shall be used when calculating any reconciliation of the 2014 Lease payments.

(d) Subsequent Lease Payments. All lease payments due after the 2014 calendar year shall be calculated and paid in accordance with the terms of the Original Amended Lease.

(e) Meter Surcharge Payments to Continue. The Authority shall continue to pay to the City ONE MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$1,700,000) annually, which shall be due and payable to the City each calendar year in equal monthly installments in accordance with Article VI of the Original Amended Lease.

(3) Conveyance of Ontelaunee Property. The City hereby agrees to convey to the Authority the approximately one hundred twenty (120) acre parcel of land located in Ontelaunee Township, Berks County, Pennsylvania owned by the City in which the Authority's raw water conveyance mains are located (the "Ontelaunee Property") as soon as practicable after the execution hereof. If subdivision planning is required to allow the Ontelaunee Property to be conveyed, the City hereby appoints the Authority as its agent to prosecute a subdivision plan with Ontelaunee Township. Notwithstanding the foregoing, the City shall not bear any responsibility for the Authority's actions while prosecuting such subdivision nor shall the City be responsible for contributing to any fees, costs or resources required for the prosecution of such subdivision. In furtherance of the foregoing, the Authority hereby waives all restrictions associated with the Ontelaunee Property resulting from the Second Addendum to the Original Amended Lease and will execute a document evidencing such waiver to be recorded by the City with the Berks County Recorder of Deeds Office at the Authority's expense. In connection with the conveyance of the Ontelaunee Property to the Authority, the Authority agrees that such conveyance shall be subject to a grant of a right of first refusal to the City prior to any conveyance from the Authority to a third party. Such right of first refusal in favor of the City shall be recorded against the Ontelaunee Property. In addition, prior to any transfer of interest of the Ontelaunee Property to a third party by the Authority, the Authority shall reserve and record easements in favor of the City associated with all above and underground improvements on the Ontelaunee Property associated with the extraction, treatment or conveyance of potable water. In furtherance of the foregoing, the Authority shall consult with the City prior to executing any form of agreement conveying an interest in the Ontelaunee Property (including, without limitation, a purchase sale agreement, leasehold interest, mortgage, easement or right-of-way).

(4) Conveyance of Store Yard Property. The City hereby agrees to convey to the Authority the City-owned land accessible from Kutztown Road in the City of Reading and commonly known as the “store yard” property as soon as practicable after the execution hereof, subject to all encumbrances on such “store yard” property.

(5) Vacation of Moss Street (unopened) between Exeter Street and Hiester’s Lane. The City shall take such actions as are necessary to vacate the unopened portion of Moss Street located north of Bern Street and south of Rockland Street in the City of Reading, which will cause the land on which such unopened street is located to become vested in the adjacent property owners unless otherwise provided by applicable laws.

(6) Authority Billing for Sewer Service and Other Services. The Authority agrees to assume responsibility for billing of sewer service accounts and such other accounts as the City requests the Authority to provide billing services, all of which will be in conjunction with the Authority’s billing of water service accounts. The City shall pay to the Authority the Authority’s actual cost of providing such sewer and other City requested billing services. Absent an agreement to the contrary entered into subsequent to the date of execution hereof, the costs to be paid by the City to the Authority for such billing services shall be half of the actual, commercially reasonable costs directly incurred by the Authority to maintain the billing system and generate and mail the joint Authority and City bills. The Authority will invoice the City for the same. The City shall pay such invoice within forty-five days of the City’s receipt of the invoice unless the amount calculated by the Authority is reasonably disputed by the City. The Authority shall make available to the City upon request the records used in the calculation. The Authority shall maintain such records for no less than five (5) years. Unless otherwise terminated, modified or extended by a separate written agreement signed by the Authority and City, this Section 6 of the Third Addendum shall terminate and be of no effect on and after January 1, 2014, except that the City shall pay for any costs incurred by the Authority in accordance with this Section 6 of the Third Addendum prior to January 1, 2014, upon the City’s receipt of an invoice for such costs after the termination of this Section 6 of the Third Addendum.

(7) Allocation of Revenues. The Authority shall equitably and ratably allocate and distribute payments received by the Authority on the behalf of joint customers. The Authority and City agree to cooperate in good faith to establish a formal administrative policy governing such allocation and distribution.

(8) Sewer Multiplier. In connection with its agreement to make the additional payments required hereby, the Authority anticipates instituting a water rate increase applicable beginning January 1, 2012 of approximately 10.50%. The City agrees that the water rate increase proposed by the Authority will not be applied in a manner as to compound sewer rates solely by application of the sewer rate multiplier. Notwithstanding the foregoing, the City reserves the right to increase or modify sewer rates as it deems necessary or convenient in its sole discretion.

(9) Indemnification. The Authority shall indemnify, defend and hold harmless (with counsel selected by the City is its sole discretion) the City and its officers, Council members, employees, agents, successors and assigns (the “Indemnified Parties”), from and against any and all injuries, losses, claims, damages, costs, expenses (including, without limitation, reasonable attorneys’ fees and experts’ fees), liabilities, fines, penalties or settlement amounts, threatened, incurred, or imposed on



or against the Indemnified Parties arising from or related to the conveyance or subdivision of any right, title or interest in the real property subject to this Third Addendum. This Section 8 shall survive the expiration or termination of the Lease.

(10) Take-Back Powers. The City shall retain all rights and powers by operation of law, including, but not limited to, the Municipalities Authorities Act, 53 Pa. C.S.A. 5622 , to require the Authority to convey the water system to the City upon assumption by the City of the obligations incurred by the Authority with respect to the water system(the "Take-Back Powers"). Except as provided below, the Authority shall not take any actions which will hinder, limit or interfere with the City's Take-Back Powers, including, but not limited to, entering into any agreement, contract, loss obligation, bond, trust indenture or pledge that contains terms that limit, directly or indirectly, or attempt to limit the City's Take-Back Powers. Notwithstanding the foregoing, the City acknowledges that in the exercise of its responsibilities to operate and maintain the Water System, of necessity the Authority will routinely enter into transactions, including the issuance of debt, the employment of personnel pursuant to collective bargaining agreements and other transactions that may have the affect of increasing the obligations of the Authority with respect to the Water System that the City will need to assume to exercise its Take Back Powers. There is no intent to restrict the Authority's ability to operate and maintain the water system by entering into such transactions so long as such transactions are entered on commercially reasonable terms, are necessary for the efficient operation of the Water Systems, and were entered with no intent to hinder, limit or interfere with the City's exercise of its Take Back Powers.

IN WITNESS WHEREOF, the City of Reading, Berks County, Pennsylvania has caused this Third Addendum to be executed in its name and on its behalf by its Mayor and its official seal to be affixed hereunder and attested by its City Clerk, and the Reading Area Water Authority has caused this Agreement to be executed in its name and on its behalf by its Chairperson or Vice Chairperson and its corporate seal to be affixed hereto and attested by its Secretary or Assistant Secretary, all as of the day and year first above written.

City of Reading

Reading Area Water Authority

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Chairperson

Attest: \_\_\_\_\_  
City Clerk

Attest: \_\_\_\_\_  
Secretary

**B I L L   N O. \_\_\_\_\_**

**A N   O R D I N A N C E**

**AN ORDINANCE AMENDING THE CITY OF READING CODIFIED ORDINANCES §1-199.03 BOARDS AND COMMISSIONS/COUNCILS ESTABLISHING THE CITY OF READING AUDIT COMMITTEE AS PRESCRIBED BY THE ACT 47 RECOVERY PLAN CA02 AS A NEW PART 22.**

**THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:**

**SECTION 1.** Establishing the City of Reading Audit Committee. Amending The City Of Reading Codified Ordinances §1-199.03. Boards And Commissions/Councils establishing the City of Reading Audit Committee as prescribed by the Act 47 Recovery Plan Ca02 as a new Part 22.

**SECTION 2. Purpose.** The Act 47 Recovery Plan Initiative CA02 requires the City of Reading to establish a process for coordinating and responding to external audits. The City of Reading Audit Committee should facilitate City Council's performance of its oversight role. It should provide independent review of a municipality's financial reporting processes, internal and external audits provide formal responses to audits and provide oversight of city management's actions to achieve compliance. The Committee should ensure that city management properly develop and adhere to standard operating procedures for its fiscal affairs, uphold the integrity of independent external audits, and the objectivity and comprehensiveness of internal audits.

**SECTION 3. Composition of the City of Reading Audit Committee.** The City of Reading Audit Committee shall be composed of five (5) member comprised of City Clerk, City Auditor, Chair of the Council Finance Committee, or his representative, the Director of Administration Services, or the City Controller as his representative, and a qualified citizen who is a resident of the city for at least three years, has at least five (5) years of experience in public accounting, finance or budgeting, and is willing to serve a three (3) year term. The citizen will be selected by Council through the application process for Boards, Authorities and Commission members and will operate as an independent voice on the committee.

**SECTION 4. Function of the City of Reading Audit Committee.** The City of Reading Audit Committee shall be chaired by the City Auditor. Each Committee member will have

one (1) equal vote. The Committee shall meet within five (5) business days from the end of each quarter. The City of Reading Audit Committee will:

1. Select the external auditor, in accordance with the city's procurement code. The external auditor shall report its findings to the Audit Committee, and work with the Audit Committee to achieve compliance
2. Review the City's financial statements, including all quarterly financial statements produced by the Department of Administrative Services for accuracy and completeness, including any adjustments required by the external auditor.
3. Approve the annual work plan of the City Auditor to ensure the audits are timely and constructive
4. Make a report to Council at the start and end of each fiscal year that details its areas of focus and at the close of each year to describe the committee's success and challenges
5. Review all internal audits prepared by the City Auditor
6. Examine all aspects of the financial reporting process
7. Provide a statement on whether the city's year-end financials are accurately presented.

**SECTION 4. Authority.** The City of Reading City Council hereby empowers the City of Reading Audit Committee to execute its mission by:

1. Providing funding for the engagement and the services of an external auditor and other government financial experts to assist the Committee with their duties and function as determined by a majority vote of the committee;
2. Providing access to the schedule of audits and reports produced by the internal elected auditor;
3. Providing authority to ensure appropriate corrective action is taken by city management in response to the audits;
4. Providing authority to establish procedures for the confidential receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters from City municipal employees.
5. Providing authority to review the financial documents and procedures of all related Boards and Commissions to ensure accurate financial reporting.

**SECTION 5.** All ordinances or parts of ordinances which are inconsistent herewith are hereby repealed.

**SECTION 6.** This Ordinance shall become effective ten (10) days after its

adoption in accordance with Sections 219 & 221 of the City of Reading Home Rule Charter.

Enacted by Council \_\_\_\_\_, 2012

\_\_\_\_\_  
President of Council

Attest:

\_\_\_\_\_  
City Clerk

Submitted to Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

Received by the Mayor's Office: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

Vetoed by Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

**BILL NO. \_\_\_\_-2012**  
**AN ORDINANCE**

**AMENDING THE CITY OF READING CODIFIED ORDINANCES CITY CLERK §1-161. POWER AND DUTIES BY ADDING A ROLE ON THE CITY OF READING AUDIT COMMITTEE.**

**Whereas the Council of the City of Reading hereby ordains as follows:**

**Section 1.** Amending the Codified Ordinances City Clerk §1-161. Power And Duties by adding his role as Chair of the City of Reading Audit Committee as follows:

**§1-161. Duties.**

The duties of this position will include but are not limited to the following:

- A. Serves as Director of the legislative branch.
- B. Performs general oversight and coordination of the legislative action of City Council.
- C. Makes recommendations to City Council on policy, regulations, practices and issues concerning the City of Reading.
- D. Serves as liaison between City Council and other officials.
- E. Acts as representative of Council at meetings and events when so directed by City Council.
- F. Explains City Council procedures and answers questions on City Council business from the public, press and administration.
- G. Performs varied public relations activities for City Council and the City of Reading to promote City issues and initiatives.

***H. Shall be a member of the City of Reading Audit Committee, as per §1-199.03. Boards And Commissions/Councils Part 2.***

**Section 2.** This ordinance shall become effective ten (10) days after it adoption, in accordance with Sections 219 & 221 of the City of Reading Home Rule Charter.

Enacted: \_\_\_\_\_, 2012

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President of Council

Attest:

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City Clerk

(Council Staff)

Submitted to Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

Received by the Mayor's Office: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

**BILL NO. \_\_\_\_-2012**  
**AN ORDINANCE**

**AMENDING THE CITY OF READING CODIFIED ORDINANCES CITY COUNCIL §1-\_\_\_\_. POWER AND DUTIES BY ADDING A ROLE ON THE CITY OF READING AUDIT COMMITTEE.**

**Whereas the Council of the City of Reading hereby ordains as follows:**

**Section 1.** Amending the Codified Ordinances City Clerk §1-161. Power And Duties by adding his role as Chair of the City of Reading Audit Committee as follows:

§1-120. Committees of the Council.

1. The Council may, at any time, provide for standing or ad-hoc committees to assist with the carrying out of its functions. Any such committee shall thereafter report to the Council at the regularly stated meetings of that body. [Ord. 7-2001]

2. Committees of Council may include:

A. Finance, to include community development funds, capital improvements, audits and budget. *The Chair of this Committee shall be a member of the City of Reading Audit Committee as per §1-199.03. Boards And Commissions/Councils Part 22.*

B. Public Property/Public Works to include parks, buildings, vehicles, streets and sewage.

C. Public Safety to include fire, police, codes, health and traffic.

D. Administrative and Land Use Oversight to include legal, personnel, housing zoning, planning and other related land use issues. [Ord. 14-2008]

E. Research Committee to research issues requested by Council.

F. Rules Committee to establish rules of conduct for Council.

3. Each committee shall consist of a minimum of three members of Council. Each member shall serve as appointed unless excused by a majority of the members of Council. [Ord. 7-2001]

4. Council members shall submit their committee preferences to the City Clerk in November of a municipal election year. The President of Council will assign Council members to committees and assign committee chairs on a biennial basis. The recommendation of the President will be approved by resolution of Council at the

first

regular meeting of Council following a municipal election. [Ord. 7-2001]

5. Ad-hoc committees may be appointed from time to time by motion of Council. The number of committee members and its duties shall be stated in the motion of appointment. [Ord. 7-2001]

6. All members of Council will be informed of the committee meeting schedule and will be provided with committee agendas and any attachments thereto. All members of Council

not of a given committee may attend any committee meeting and are encouraged to participate in committee discussions, but may not vote on any matter considered  
[Ord.

**Section 2.** This ordinance shall become effective ten (10) days after its adoption, in accordance with Sections 219 & 221 of the City of Reading Home Rule Charter.

Enacted: \_\_\_\_\_, 2012

\_\_\_\_\_  
President of Council

Attest:

\_\_\_\_\_  
City Clerk

(Council Staff)

Submitted to Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

Received by the Mayor's Office: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by Mayor: \_\_\_\_\_

Date: \_\_\_\_\_



**BILL NO. \_\_\_\_-2012**  
**AN ORDINANCE**

**AMENDING THE CITY OF READING CODIFIED ORDINANCES CITY AUDITOR §1-151. POWER AND DUTIES BY ADDING THE ROLE OF CHAIR FOR THE CITY OF READING AUDIT COMMITTEE.**

**Whereas the Council of the City of Reading hereby ordains as follows:**

**Section 1.** Amending the Codified Ordinances City Auditor §1-151. Power And Duties by adding his role as Chair of the City of Reading Audit Committee as follows:

**§1-151. Power and Duties.**

The City Auditor shall have financial oversight of the City of Reading finances and shall have those powers and duties prescribed by law, Charter or ordinance and include but not be limited to the following:

- A. Section 503(A) through (L) of the Charter, "Responsibilities."<sup>40</sup>
- B. Section 911(4) of the Charter, "Capital Projects Approved."<sup>41</sup>
- C. Conduct audits of petty cash funds as appropriate.
- D. Shall sit as Chair of the City of Reading Audit Committee, as per §1-199.03. Boards And Commissions/Councils Part 22.***

**Section 2.** This ordinance shall become effective ten (10) days after it adoption, in accordance with Sections 219 & 221 of the City of Reading Home Rule Charter.

Enacted: \_\_\_\_\_, 2012

\_\_\_\_\_  
President of Council

Attest:

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City Clerk

(Council Staff)

Submitted to Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

Received by the Mayor's Office: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

**ORDINANCE NO. \_\_\_\_-2012**

**AN ORDINANCE AMENDING THE CITY OF READING CODIFIED ORDINANCES CHAPTER 1 ADMINISTRATION AND GOVERNMENT, SECTION 186 G FISCAL PROVISIONS BY REDUCING THE AMOUNT OF EXPENDITURES AND ALLOCATIONS REQUIRING COUNCIL'S APPROVAL FROM \$25,000 TO \$10,000.**

**THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:**

**SECTION ONE.** Amending The City of Reading Codified Ordinances Chapter 1 Administration and Government, Section 186 Fiscal Provisions, Part G by reducing the amount of expenditures and allocations requiring council's approval from \$25,000 to \$10,000 as follows:

**Fund Accounts. §1-186. Fiscal Provisions.**

**3. Regulations Concerning Appropriations and Transfers.**

A. The authorization and expenditure of all funds and preparation of department budgets shall be in accordance with a policy adopted by the Council and a financial procedures manual to be prepared and periodically reviewed and updated by the Department of Finance. Expenditures shall be executed in a uniform manner for every City Department.

B. The Director of Finance shall prepare and submit a monthly report to the Mayor, the managing director, and Council. This monthly report shall include all Expenditures, borrowing, or any use for each City Department and each City Fund account, and status reports comparing those expenditures with the adopted budget, as well as any Department justification of transfer, borrowing, or any use of funds within departments, between departments and within or between City Funds account.

C. In order to allow flexibility in the administration of the City's business, departments may transfer money between line items within the department. A majority of Council, in response to any monthly report, may place a limit on the amount of additional excess expenditure allowed for any program or line item. This is not intended to restrict unduly the Mayor's ability to manage and administer the budget

D. Justification for transferring, borrowing or any use of funds between departments and/or City Fund accounts must be presented to and approved by Council. The financial procedures manual will stipulate the following:

- (1) Expenditure procedures.

- (2) Justification procedures for transferring money between line items.
- (3) Justification procedures for transferring money between departments.
- (4) Administration of petty cash funds.
- (5) Justification procedures for transferring, borrowing, or any use of money between City Fund accounts.

E. Requiring an amendment to the City's annual Budget Ordinance authorizing the transfer, borrowing, or any use of all monies including, but not limited to, transfers, borrowing, or any use of funds between departments, and transfers, borrowing, or any use of funds in and out of any City Fund account, account or line item either attached in part or unattached to a departmental budget. The City Funds include all general, operating, capital and enterprise funds. The request for a budget amendment must be submitted to City Council with an agenda memorandum explaining the justification for transfer, borrowing, or any use of funds and the proposed use for the funds transferred at least 2 weeks before the transfer is required. [Ord. 36-2000]

F. Requiring an amendment to the City's annual Budget Ordinance to authorize any cumulative modification to any departmental overall budget or line item exceeds \$10,000. The request for a budget amendment must be submitted to City Council with an agenda memorandum explaining the justification for transfer and the proposed use for the funds transferred, borrowed or used at least 2 weeks before the transfer is required. [Ord.54-2009]

G. Requiring City Council approval, via ordinance, for the following:

- (1) Salary increases that were not approved in or included in the budget for the fiscal year and fall outside the labor contract for union employees.
- (2) All expenditures not approved and listed in the operating or capital budgets for the fiscal year prior to those expenditures occurring. [Ord. 36-2000]
- (3) All expenditures and allocations of ~~\$25,000~~ to \$10,000 or more from and to any and all agency funds and any and all line-items falling in the Departmental and Non Departmental area of the General Fund. [Ord 14-2012]

**SECTION TWO.** All other parts of the Ordinance remain unchanged.

**SECTION THREE.** This ordinance shall become effective ten (10) days after its adoption in accordance with Sections 219 and 221 of the City of Reading Home Rule Charter.

Enacted by Council \_\_\_\_\_, 2012

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President of Council

Attest:

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City Clerk

(Council Staff)

Submitted to Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

Received by the Mayor's Office: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by Mayor: \_\_\_\_\_

Date: \_\_\_\_\_

Vetoed by Mayor: \_\_\_\_\_

Date: \_\_\_\_\_



**AGENDA MEMO**  
**COMMUNITY DEVELOPMENT**

**TO:** CITY COUNCIL  
**FROM:** CARL GEFFKEN, ACTING C. D. DEPARTMENT DIRECTOR  
**MEETING DATE:** **APRIL 30<sup>TH</sup>, 2012**  
**AGENDA MEMO DATE:** March, 14<sup>th</sup> 2012  
**REQUESTED ACTION:** TO APPROVE AN AMENDMENT TO THE FFY2011 EMERGENCY SOLUTIONS GRANT (ESG) PROGRAM ACTION PLAN

CD is asking City Council to pass the resolution at the **April 30th, 2012** City Council meeting.

**BACKGROUND:** The administration wishes to execute a required substantial amendment to its 2011 Emergency Solutions Grant (ESG) Action Plan by allocating funding received in the program's 2<sup>nd</sup> round of funding from HUD for the fiscal year to the Human Relations Commission in the amount of \$57,430.00 for homeless prevention activities and to the Berks Coalition to End Homelessness (BCEH) in the amount of \$10,000 to implement data collection procedures required by HUD under new HEARTH Act guidelines.

**BUDGETARY IMPACT:** None.

**PREVIOUS ACTION:** None.

**SUBSEQUENT ACTION:** None.

**RECOMMENDED BY:** Community Development Department, Managing Director and Mayor.

**RECOMMENDED MOTION:** To approve/deny a Council Resolution authorizing the amendment.

Cc: Crystal Edwards  
Alex Palacios  
Dan Wright

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE COUNCIL OF THE CITY OF READING  
AUTHORIZING THE MAYOR TO EXECUTE A  
FFY2011 ESG ACTION PLAN AMENDMENT**

WHEREAS, under 24 CFR Part 91, the U.S. Department of Housing and Urban Development (HUD) outlines the consolidated submissions for community planning and development programs which will serve as: (1) a planning document for the City that builds on a participatory process at the grass roots level, (2) an application for federal funds under HUD's formula grant program, (3) a strategy to be followed in carrying out HUD programs, and (4) an Action Plan that provides a basis for assessing performance;

WHEREAS, the substantial amendment for the second allocation of FY2011 ESG funds has been prepared in cooperation with the Continuum of Care, per newly implemented HEARTH Act regulations, in order to address needs of homeless individuals and those facing homelessness;

WHEREAS, \$67,430.00 in ESG funds is currently available to fund the activities

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF READING THAT:

The Mayor is authorized to execute a FFY2011 ESG substantial Action Plan Amendment to program \$67,430.00 in additional ESG funds for the provision of homelessness prevention services and data collection activities.

The Mayor, on behalf of the City of Reading, is authorized and directed to execute the amendment to the satisfaction of HUD.

PASSED COUNCIL \_\_\_\_\_, 2012

\_\_\_\_\_  
PRESIDENT OF COUNCIL

ATTEST:

\_\_\_\_\_



C I T Y   O F   R E A D I N G ,   P E N N S Y L V A N I A

M E M O R A N D U M

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**TO:** City Council, David Cituk  
**FROM:** Christian F. Zale, City Controller  
**DATE:** March 28 , 2012  
**SUBJECT:** Schedule of Transfers – March 2012

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**The following transfers occurred in March 2012 as specified in the 2012 council approved budget:**

To General Fund (01):

**Indirect Cost:** CD (32) \$15,833.33; Sewer (54) \$86,063.33; Recycling (56) \$11,195.00; Water (50) 56,503.33

**Transfers:** Sewer (54) \$250,000.00; Recycling (56) \$16,666.67; Water (50) \$368,333.33

**Water RAWA Act 47:** \$125,000.00

**Meter Surcharges:** Water (50) \$141,666.00

To Water Fund (50):

Meter Reading Cost: Sewer (54) \$20,833.33

RAWA Lease Agreement: From RAWA \$1,100,000.00

To Self Insurance (52):

Sewer (54) \$75,416.67; Water (50) \$72,386.25; General (01) \$140,641.08

**Corrections:**

None

**Additional Transfers:**

None

These transfers are reflected in March trial balance. Also, the related cash has been transferred among the various funds; thus, no impact in the DT/DF accounts. This activity has been confirmed by the City Auditor.



## City of Reading Community Development

3/13/2012						Percentage	Project	
<b><u>YEAR</u></b>	Allocated	Spent		Total	Unspent	Completion	Code	
		Entitlement	Program Income	Spent				
<b><u>2009 CDBG</u></b>								
Centre Park Historic District Artifacts Bank	25,500.00	25,500.00		16,342.20	9,157.80	64%	32-10-03-02	
<b>TOTAL</b>	<b>25,500.00</b>	<b>25,500.00</b>		<b>16,342.20</b>	<b>9,157.80</b>	<b>64%</b>		
<b><u>CDBG-R</u></b>								
500 block Court St. CDBG-R	216,100.16	216,100.16		-	216,100.16	0%	32-10-34-02	
Blighted Property Review Committee CDBG-R	83,000.00	83,000.00		68,776.06	14,223.94	83%	32-10-01-03	
<b>TOTAL</b>	<b>299,100.16</b>	<b>299,100.16</b>		<b>68,776.06</b>	<b>230,324.10</b>	<b>23%</b>		
<b><u>HPRP</u></b>								
Opportunity House - HPRP	1,147,374.53	1,147,374.53		887,004.48	260,370.05	77%	32-10-68-02	
HPRP Admin	53,168.12	53,168.12		36,001.83	17,166.29	68%	32-10-85	
Human Relations Commission - HPRP	67,351.00	67,351.00		56,294.44	11,056.56	84%	32-10-71	
<b>TOTAL</b>	<b>1,267,893.65</b>	<b>1,267,893.65</b>		<b>979,300.75</b>	<b>288,592.90</b>	<b>77%</b>		
<b><u>2010 CDBG</u></b>				-	-			
Barbey Playground Improvements	12,500.00	12,500.00		11,112.82	1,387.18	89%	32-10-01-02	
BPRC / RRA	169,000.00	169,000.00		37.96	168,962.04	0%	32-10-01-04	
Residential Facade Improvements						65%	32-10-10	

	37,275.00	37,275.00		24,285.00	12,990.00			
Fire Station Improvements	168,640.00	168,640.00		57,194.79	111,445.21	34%	32-10-88	
Library Improvements	170,000.00	170,000.00		94,044.23	75,955.77	55%		
<b>TOTAL</b>	<b>557,415.00</b>	<b>557,415.00</b>		<b>186,674.80</b>	<b>370,740.20</b>	<b>33%</b>		
<b><u>NSP2</u></b>								
NSP2 ACQUISTION OCR	675,000.00	675,000.00		581,382.88	93,617.12	86%	32-10-31-02	
NSP2 ACQUISTION CD/RHA	246,308.75	246,308.75		-	246,308.75	0%	32-10-31-02	
NSP2 ADMINISTRATION	383,031.25	383,031.25		\$376,293.72	6,737.53	98%	32-10-85	
NSP2 REHAB OCR	2,700,000.00	2,700,000.00		2,698,636.15	1,363.85	100%	32-10-31-02	
NSP2 REHAB RHA	995,660.00	995,660.00		989,226.85	6,433.15	99%	32-10-31-02	
<b>TOTAL</b>	<b>5,000,000.00</b>	<b>5,000,000.00</b>		<b>4,645,539.60</b>	<b>354,460.40</b>	<b>93%</b>		
<b><u>2011 CDBG</u></b>								
3rd and Spruce Basketball Courts	70,000.00	70,000.00		11,428.79	58,571.21	16%	32-10-19	
Library Improvements	150,000.00	150,000.00			150,000.00	0%		
Olivet's Boys & Girls Clinton St Pool	88,000.00	88,000.00		727.85	87,272.15	1%	32-10-57-03	
Schlegel Park Pool Improvements	280,000.00	280,000.00		132.86	279,867.14	0%	32-10-01-05	
11th and Pike Playground Improvements	222,080.00	222,080.00		94.45	221,985.55	0%	32-10-21	
Barbey Playground	290,000.00	290,000.00		183,118.46	106,881.54	63%	32-10-01-02	
Facade Improvements – Commercial				-		0%	32-10-33	

	50,000.00	50,000.00			50,000.00			
Emergency Demos	385,381.22	385,381.22		385,381.22	-	100%	32-10-27	
Liberty Fire Station	26,000.00	26,000.00		22.02	25,977.98	0%	32-10-88	
NHS Home-ownership Assistance	75,000.00	75,000.00		-	75,000.00	0%	32-10-42	
NHS Major System Rehabilitation	75,000.00	75,000.00		75,000.00	-	100%	32-10-31-02	
Reading Iron Playground Improvements	125,000.00	125,000.00		1,622.75	123,377.25	1%	32-10-38-02	
Facade Improvements – Residential	35,000.00	35,000.00		12,657.40	22,342.60	36%	32-10-10	
Baer Boxing Program	4,647.20	4,647.20		4,647.20	-	100%	32-10-01-01	
<b>TOTAL</b>	<b>1,876,108.42</b>	<b>1,876,108.42</b>	<b>-</b>	<b>674,833.00</b>	<b>1,201,275.42</b>	<b>36%</b>		
<b><u>2012 CDBG</u></b>								
Lance Place Improvements	91,000.00	91,000.00		-	91,000.00	0%	32-10-03-03	
Emergency Demo	39,890.00	39,890.00		39,890.00	-	100%	32-10-27	
CDBG Administration	70,376.59	70,376.59		70,376.59	-	100%	32-10-85	
Community Policing	9,058.46	9,058.46		9,058.46	-	100%	32-10-90	
Code Enforcement Trades	24,411.74	24,411.74		24,411.74	-	100%	32-10-29	
*Microenterprise Technical Assistance	50,000.00	50,000.00		-	50,000.00	0%	32-10-03-04	
<b>TOTAL</b>	<b>284,736.79</b>	<b>284,736.79</b>		<b>143,736.79</b>	<b>141,000.00</b>	<b>50%</b>		
<i>*Pending new CD Director</i>								
<b><u>HESG</u></b>								
Emergency Shelter Grant Admin	15,955.00	15,955.00		5,976.70	9,978.30	37%	32-10-85	

ESG11 Homeless Prevention	65,431.00	65,431.00		7,236.41	58,194.59	11%	32-10-02-01	
ESG11 Data Collection (HMIS)	10,000.00	10,000.00		-	-	0%		
ESG11 Shelter	121,352.00	121,352.00		19,503.10	101,848.90	16%		
ESG11 Rapid Re-housing	-	-			-			
<b>TOTAL</b>	<b>212,738.00</b>	<b>212,738.00</b>		<b>32,716.21</b>	<b>170,021.79</b>	<b>15%</b>		
<b><u>Other Accounts</u></b>	<b>Balances</b>	<b>Add</b>	<b>Interest</b>	<b>Spent</b>	<b>Balances</b>			
<b>EZ FRED</b>	29,880.39			20,000.00	9,880.39			
<b>HOME PROG INC</b>	376.91				376.91			
<b>CDBG PROG INC</b>	894.72				894.72			
<b>UDAG</b>	155,171.79			34,765.11	120,406.68			
<b>SEC 108</b>	413,997.88				413,997.88			
<b>STATE OF PA - CIDC (Microloan Prog)</b>	550,000.00	20,000.00		97,124.14	472,875.86			
<b>FAMILY BUSINESS PROGRAM</b>	572,647.14				572,647.14			
<b>TOTAL CDBG EN BALANCE(4/9/2012)</b>	\$1,726,327.01			-	1,726,327.01			
<b>TOTAL CDBG PI BALANCE (4/9/2012)</b>	-			-	-			
<b><u>CDBG Funds To Be Spent</u></b>								
<b>Line of Credit</b>	\$1,726,327.01							
<b>TTL CDBG 2009 - 2012 To Be Spent</b>	1,722,173.42							
<b>Difference</b>	\$4,153.59							
<b><u>CDBG 2012 Timeliness Test</u></b>								

<b>**Timelines Test Amount</b>	3,511,474.50							
<b>Estimated Line of Credit</b>	1,726,327.01							
<b>Over/(under Cap)</b>	(1,785,147.49)							

**\*\*Note:** In compliance with CDBG Timelines rules by November 1, 2012, CDBG line of credit must be below \$3,511,474.50 (*current year grant times 1.5*)

<b>HOME program reconciliation</b>						
<b>4/10/2012</b>						
<b>Program Year</b>	<b>Grant Balance (PR 27 )</b>	<b>Admin Balance (PR 27 )</b>	<b>OCR Balance (PR 02 )</b>	<b>NHS Balance (PR 02 )</b>	<b>HfH Balance (pending)</b>	<b>Unprogrammed</b>
<b>2008</b>	\$ -	\$ -	\$ -	\$ -		\$ -
<b>2009</b>	\$14,283.95	\$14,283.95	\$ -	\$ -		\$ -
<b>2010</b>	\$361,551.31	\$106,811.40	\$77,491.87	\$77,207.17		\$100,040.87
<b>2011</b>	\$943,508.00	\$94,350.80	\$149,798.20	\$160,217.10	\$278,000.00	\$261,141.90
<b>2012</b>	\$698,011.00	\$69,801.10	\$428,209.90	\$105,000.00	\$95,000.00	\$ -
<b>Current</b>	<b>\$2,017,354.26</b>	<b>\$285,247.25</b>	<b>\$655,499.97</b>	<b>\$342,424.27</b>	<b>\$373,000.00</b>	<b>\$361,182.77</b>